

ANNUAL REPORT VLOPES

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ANNUAL REPORT
VLOPES

2021

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MESSAGE FROM THE CEO

Looking back over the last year, I can clearly see the three main pillars supporting and driving our current activity, allowing us to plan for the future with confidence: the priceless value of talented teams, the significance of reorganization, and the pertinence of investment.

After a long, demanding 2020, followed by 2021 in which public health has been exposed to even more violent challenges, it has been our responsiveness and resilience, that attended us in facing the contingencies motivated by the pandemic crisis. That is why today, we are better prepared as individuals, as a company, and as a community - after the alternate periods, either of tougher restrictions or looseness - to respond effectively to unexpected events that impact the lives of people and businesses. We know how to move forward with firmer steps, without compromising our vision for the future, creating valuable solutions for our customers and nurturing growth opportunities.

It was in 2021 that the entire team definitively began operating from the new facilities, designed to house all the activity in Portugal and sustain

international expansion. The building, designed with modern features, creates the essential space where we will pursue our mission of producing more and better products. In the atmosphere of the new facilities, air quality is a reality and sustainability was in mind and in the architectural project since the first drawings.

The new headquarters has breathed new life into the production system: we have rethought working methods and found the right configuration to reorganize production. This gave rise to a dedicated production line for Air Handling Units (AHUs); the foundation of a section dedicated to cutting and bending, eliminating the previous dependence on subcontracting, and the birth of a new painting line.

With the improvement in production capacity, it was also possible to reorganize and expand the commercial team, which now operates with an increased focus on the international market, having already achieved goals of entering new markets such as Morocco and Algeria.

The relevance of investment in Research and

“ I can clearly see the three main pillars supporting and driving our current activity, allowing us to plan for the future with confidence: the priceless value of talented teams, the significance of reorganization, and the pertinence of investment.

Development has taken us to new heights by 2021. Products were born that are fully adapted to the market, such as the KT-HOME, which has paved the way to the domestic sector; the complete range of NPS® purifiers for classrooms; the CO2 Capture System or Particle Analysis for Indoor Air Quality, which are at the core of two PPR in partnership with Sonae and with DST, already approved. Also underway is the SATO Project, for 7.2 M€, with prestigious partners such as Siemens, Knauf, the Faculty of Sciences of the University of Lisbon, the Polytechnic of Milan, the University of Alboorg, Cype, Sonae and EDP.

The company's international operation was also marked by significant progress. At VLopes Clim, in France, we consolidated the company's position with a capital increase to €500,000, which boosted confidence among partners and customers. The 2021 results are very positive and marked by the high profitability of the operation. The approach to Innovation was extended to the French market, resulting in the approval of the NPS® project for IAQ (Indoor Air Quality) in Vitry Schools, which received the approval of the French state, in partnership with the prestigious institution Airparif, in Paris schools.

In Scandinavia the word of the year was stabilisation. Although turnover figures for VLopes Scandinavia were more modest than in previous years, activity

based on strictly Danish customers proved to be solid and with much lower risk levels than in previous periods. Overall, the year was marked by a sustained return to profitability in the Scandinavian market. A capital increase to 500 000 euros was also consummated.

2022, WE'RE READY FOR THE FUTURE!

More than a commitment, we are now united by a greater mission. The world agenda is grappling with disruptive events, which have rushed into the first weeks of 2022. Today we have to manage for operational challenges with the potential to deteriorate. Depending on the evolution of the conflict that has resulted from the Invasion of Ukraine by the Russian Federation, with its consequences still unpredictable, we are now facing an aggravated tendency for the rise of the global energy prices.

But I believe that the climate crisis is the greatest challenge facing humanity in the coming decades. The scale of the action and the risks involved span generations. We are reminded of this every day, as the latest report of the Intergovernmental Panel on Climate Change warns.

In this free-planning vision of our reality, we can state that our common challenge is above growth. The innovation projects in which we are

engaged are based on environmental awareness and responsibility, through which we develop products with a reduced or neutral carbon footprint. We seek continuous action that takes the form of concrete solutions at the service of humanity, the planet on which we all live and the air we all breathe.

Vieira & Lopes has been undertaking a revision of its innovation operating model and will continue to promote internal development projects or in partnership. Such efforts are compatible and are reflected in projects, such as the current PRR which corresponds to an investment of 4M€ or the association to consortiums such as the SATO project, with a participation of 200 000€.

A sustained evolution in the internationalization process is expected, based on the increase in sales of AHUs in France, Denmark, Spain and Morocco; or the reinforcement of activity by the entry into very challenging markets such as the Netherlands, Germany or Algeria, leveraged by the launch of new products. In appraisal, products with new associated values, with eased transport conditions, or enabled better and faster internationalization, as is the case of KT-HOME.

A recent production innovation project will ensure the in-house capacity to accommodate supplemental production, in the face of growing demand for innovative devices for Indoor Air Quality and Purification.

A reference to the current commitments we have been assuming to accelerate the digital and technological transformation at Vieira &

Lopes. This progress owes much to the platform consolidation strategies; the transfer to a Cloud operation and the implementation of more agile methodologies, which are reflected in the increase of the team's efficiency levels and the reinforcement of cyber security.

However, I do not want to end without expressing our appreciation to the suppliers and partners who have been willing to accompany us in the generation of solutions marked by the highest standards of excellence. And to thank our customers, who are the central reason for our existence. We will do everything to continue to deserve their trust and to deliver solutions with cutting-edge and efficient technology, for the air quality of their ambitious projects.

Personally, I know we are fully committed to leading Vieira & Lopes along a promising path. That is why I reserve the final tone of thanks to all team members, who have managed to keep responsibility and professionalism at the highest level. Their enthusiasm and commitment have enabled us to keep our mission alive. Thanks to these invaluable qualities, which fill us with gratitude and pride, I can confidently say that we are ready for the future!

To all, an outstanding 2022!

Marco Lopes

Vieira Lopes CEO



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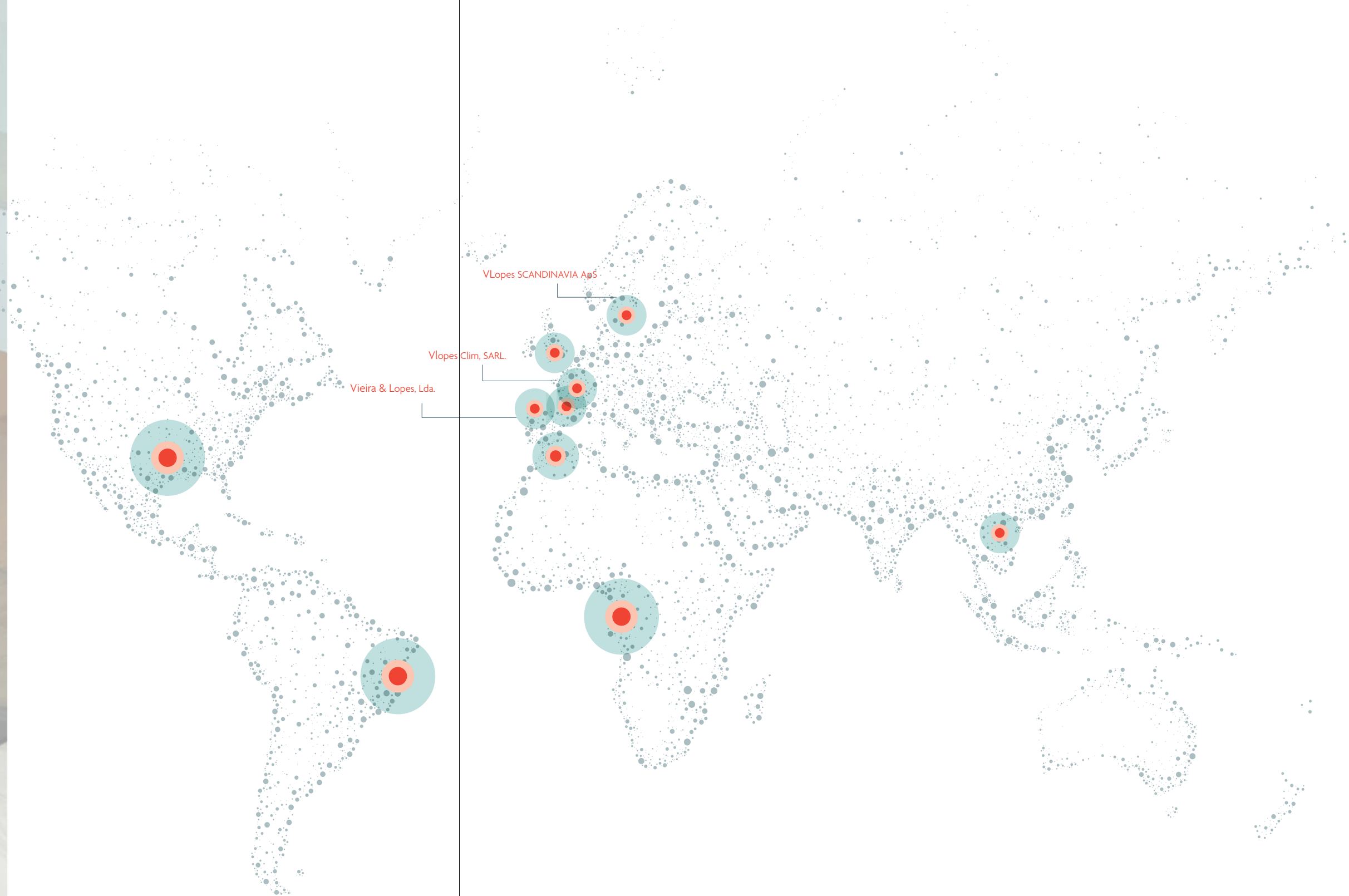
Enhancing
operational efficiency

DELIVERING CLEAN AIR TECHNOLOGY TO THE WORLD

With headquarter located in Portugal, we have offices in France and Denmark, but the clean air coming from our work is breathable in projects throughout the world.

A growing number of buildings rely on V Lopes products branded under OCRAM to master clean air. With eyes set on the future, we commit ourselves to use every opportunity to improve sustainability.

We have an entire world of clean air solutions.





VISION

Our vision is to grow into a world-renowned company as a synonym for customized, holistic, and smart air purification solutions.



MISSION

Develop and support a solid company structure with qualified, informed, responsible, and happy employees focused on the client.

Being a reliable partner for each client, using experience and know-how to create made to measure solutions for each building, securing optimal indoor air quality anywhere in the world.

Market a whole line of innovative, high-quality, and efficient products for sensitive indoor environment, with low environmental impact thus contributing to enhancing good health and quality of life for every people.

Working continuously to the international expansion of VLopes. Speaking global, becoming global!



VALUES

We ground our work and behaviour on core values and principles. These policies define our performance and positioning across all areas in a responsible manner.

Boosting wellbeing through clean air

OUR SHARED VALUES



PEOPLE IN FIRST-PLACE

We seek to foster a well-balanced, inspiring environment where each employee can thrive and take new challenges.



INNOVATION & KNOW-HOW

Innovating and challenging the limits are part of our DNA, so we can build smarter solutions, and grow sustainably.



QUALITY

Committed to quality in all strands of our activity, we know that indoor air quality can be achieved only through the excellence products and services.



FLEXIBILITY

We work side by side with the most demanding client, determined to overcome limits, short the distance and bring the right answer wherever needed.



RESPONSIBILITY

Working to the quality of life of every people in the world with energy efficient environments and products for healthy, clean environment, fostering the healing process and life.

Meeting the demand, facts and figures

EXECUTIVE SUMMARY

The year 2021 is unanimously described as an incredibly demanding and complex period, during which the slight signs of recovery pair with profound uncertainty about the remaining pandemic situation. While the new strains of the SARS-Cov-2 virus emerge, another crisis stems from the invasion of Ukraine by the Russian Federation and a war of yet unpredictable scope outbreaks.

In this particularly challenging environment of unprecedented uncertainty, the results achieved by VIEIRA LOPES LDA, and the VLOPES Group, were decidedly positive, as reflected in the increasing consolidation of its role and activity in the market and the strengthening of its national and international operations.

Maintaining the progress registered in previous years, the activity of VIEIRA LOPES LDA throughout 2021 reinforced its economic and financial position. The overall performance attained through the extension of the product portfolio comprising technological solutions for air diagnosis, control, treatment and purification; by the growing reputation for the brand OCRAMClima in the national and international market; by the establishment of new and promising partnerships, acting and researching with relevant entities in the national and international plan; and by the strengthening of the international operations.

KEY HIGHLIGHTS FOR THE YEAR 2021

- 📌 **Consolidated business turnover for the VLOpes group** in 2021 amounted to **EUR 8 583 796,06**; a correction compared to the previous year expressing the reorganisation and consolidation of the company's activity towards specific air treatment and purification markets, increasingly involving more technology and more knowledge;
- 📌 The **consolidated net result** remained clearly positive at **EUR 339 685,83**;
- 📌 Maintaining the positive trend, **consolidated EBITDA**, which expresses the resources generated by the company's activity, stood at **EUR 856 811,19**, translating a growth of 19,1% when compared to the previous year;
- 📌 **EBITDA as a percentage of business turnover**, an indicator of the company's profitability, **reached the figure of 10.0%**, an increase of 2.7 p.p. when compared to the 7.3% in the previous year. This indicator reflects a clear **optimization of the company's operating activity**.
- 📌 **International activity represented 75,4% of business consolidated turnover in 2021**, reaching a value of **EUR 6 475 562,53 (a growth of 9,7% in face of the previous year)** reasserting the market diversification strategy and solidifying the international nature of the VLOPES Group;
- 📌 **Sales with origin in the domestic market** recorded a value of **EUR 2 108 427,75**, representing a correction compared to 2020, signalling a lessening of the Group's dependence and exposure to the domestic market and a **stronger ability to explore business opportunities in highly potential external markets** within the air purification and treatment technological solutions segment.
- 📌 **Revenue from the sale of air control, treatment and purification equipment** (tradable goods) derived from the OCRAMClima project amounted to **EUR 2 845 289,59**, corresponding to **33,1% of the company's consolidated turnover**.

01

VIEIRA & LOPES GROUP ACTIVITY

Vieira & Lopes Group here referred to as VL - with headquarters located at Rua da Quintã, 8/10 Frossos, Braga – and Social Capital of 500.000 EUROS, was founded in 1998 and businesses are currently focused on manufacturing, distributing and installation of technological solutions for control, treatment, purification and air acclimatization.

The following annual consolidated report expresses, in the most appropriate manner, the financial statement and the business results, regarding the economic period ending on the 31st of December of 2021.

Written accordingly to 66th Code of the Portuguese Code of Business Companies (Código das Sociedades Comerciais – CSC), this document comprises an accurate, clear and concise analysis of the business evolution, performance, and financial position, properly framed by the inherent complexity of company's activity, including the inbuilt uncertainties and risk of the trade it per-tains to. The accompanying financial statements are related to consolidated financial demonstrations.

02

MACROECONOMIC DEVELOPMENT IN 2021

2.1. GLOBAL ASSESSMENT

The year 2021 witnessed sharp oscillations and abrupt rises attributable to SARS-CoV-2 pandemic crisis management, stimulated by seasonal modulations or mass gatherings. These waves of dissemination, public health measures enforcement and restrictions on mobility in the meantime affected the macroevolution, which has been, however, of economic recovery. The vaccination, although not extensive to a global level, allowed the infection to spread less widely, increasing confidence among economic agents and, ultimately, undersizing the adverse context for economic activity.

The **World Economy** risen from a contraction of 3.1% in 2020 to an estimated expansion around 5.9% in 2021. The year has been characterized by the maintenance of public support for the economy. And array of measures and absolutely extraordinary monetary stimulus were set in place to mitigate the

pandemic risk and to address overly exposed market segments and agents. While healing the wounds opened by the pandemic, the World Economy faced the impact of the unbalanced functioning of international commercial and economic relations: shortages of intermediate goods, persistent delays in logistic chains, unavailability and increased costs of International Transport and

The World Economy faced the impact of the unbalanced functioning of international commercial and economic relations, in the form of shortages of intermediate goods, persistent delays in logistic chains, unavailability and increased costs in International Transport, and a broadscale increasing of prices, namely the energy and intermediate goods. The bottlenecks in the global production chain recorded since 2020 and the increasing demand for goods remained and, in some cases, became more severe. In a brief, the imbalance between Supply and Demand drove up prices and undermined growth.

What the global economic context experienced in 2021 can, and should be described as a path of successive barriers, some unexpected, which have been overcome or managed with apparent success, albeit with increased costs. In the overall scenario, it allowed output to recover for levels of 2019, though not in a uniform pattern: China, United States and a smaller group of economies reached levels similar to the last quarter of 2019, but most countries are still striving to recover such levels.

Reflecting this context of constraints paired with expansionist economic measures, continuous adaptation of economic agents, and strong demand, the International Trade has recorded vigorous growth at an estimated rate of around 9.3%.

The **Advanced Economies** registered an upsurge of around 5.0%. The **Euro Zone** recorded growth close to 5.2% after falling 6.5% in the previous year, a year in which the European economic block was deeply affected by the pandemic. Even so, European expansion hid significant diversity in the behaviour of its main economies, with **France** being the engine of European recovery, with strong growth of around 6.7%, and **Germany**, more dependent on industry and global supply chains, surprisingly weak, with an estimated rate of expansion of 2.7%.

After recording the sharpest contraction among many economies in 2020, the **United Kingdom** went through the first post-Brexit year at a fast pace: it should have grown around 7.2%, the highest rate among the G7 economies. 2021 was a year of recovering the value lost in 2020, but, it is estimated that the economy has not yet recovered the size it recorded in 2019. **Sweden**, an economy with a high degree of openness to the exterior, grew 4.0%, while in **Eastern Europe**, the **Czech Republic** will have evolved at a rate of 3.8%.

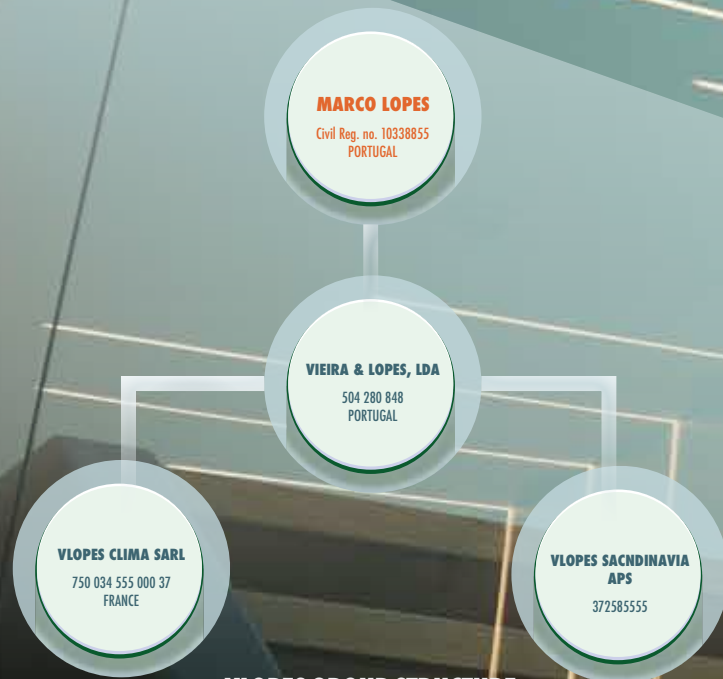
The **United States** recorded a rate of economic expansion of around 5.6% after contracting by 3.4% in 2020, also following the constraints posed by the pandemic. The labour market recovered to a level

compatible with Full Employment (and therefore generating wage dynamics) while inflationary pressures gradually became sharper and less transitory (the year ended with Inflation at 7.0%, a 40-year high) in the face of disruptions in supply chains - particularly severe in the US -, bottlenecks at ports and on-shore logistics infrastructure, and strong demand for goods. The economy benefited from significant fiscal support, which, because temporary, expired as the year progressed. **Japan's** economy expanded 1.6% - a higher than expected rate, even more significant if we take into account the country's level of exposure to integrated production chains, and the management of Covid-19. **Australia** registered growth around 3.5%.

The **Emerging and Developing Economies** recorded economic evolution of around 6.5% in 2021. The significant growth in **China**, around 8.1%, is mainly the reaction to the transition from the pattern observed in the previous year. 2020's activity collapse at the beginning of the year, the uncertainty of unknown mitigations or treatments for COVID; the restart of activity in its fast mode, given the productive specialization, responding to sought expectations. In such a manner, the chain gains were consecutively smaller (being 2021's growth mainly due to excellent performance in the first quarter) and achieved mixed impediments, such as rigid policies for Covid-19 cases containment, the imbalances in the Chinese real estate market, industrial disconnection due to energy supply breaks, unanticipated regulatory measures and

structural economic options. **India**, in turn, exhibit recovery at a higher rate, something around 9.0%. **Latin America's** growth stood at 6.8%, with **Brazil** recovering at a rate of 4.7%, while estimations for **Mexican** economy are of 5.3%. **Chile**, undergoing political and constitutional changes, should have recovered strongly, with an estimated 11% growth rate, higher than the 7.5% growth rate forecast for **Argentina**. **South Africa**, struggling with moments of social turmoil in the middle of the year, saw an expansion of about 4.6%; in turn, **Russia**, benefiting from its export profile based on energy goods, has recovered 4.5%. Still in the Emerging Economies, **Hungary** registered a 7.6% growth in 2021, at the fastest pace in three decades.

After the reversion for a monetary normalization during 2019, leading to a pondered and gradual context management; and after the monetary conditions became hyper expansionist, due to the pandemic; during 2021, increasing signs of pressure on prices, especially from June, shifted US Federal Reserve standpoint. Normalization rates and unorthodox monetary measures came to dominate the thoughts and debate among Central Banks, leading to a shift in tone and the fast implementation of measures, mainly in the Emerging Economies. The concern remains, nonetheless, about whether the late actions on reversing policies gave rise to eventual imbalances and overstatements. Those policies were highly dependent on measures of exceptional nature and rationality, given the pandemic situation.



VLOPES GROUP STRUCTURE

Bringing innovation to life

2.2. PORTUGAL OVERVIEW

Portugal will have grown around 4.9% in 2021, recovering slightly over half of the output it had lost in the sharp contraction of 2020. The pandemic shaped and defined the economic context - the alternating periods of confinement steered by the spread of Covid-19 guided the public health measures to condition mobility, the confidence of economic agents and, ultimately, the profile of economic evolution.

The second and third quarters were the most favourable for the economic expansion, supported by private consumption (pent-up demand) and exports. The Investment and Exports of Goods components are estimated to have already recovered to pre-pandemic levels; Exports of Services (specifically Tourism) recovered steeply in

the second half of the year but were still below 2019 levels given the international travelling restrictions prevailing by the end of 2021.

Public accounts make the impact of the pandemic unmistakable. Depicts the effect of measures then adopted for support and public health (the set of Covid efforts represented 2.6% of GDP, a higher weight than in 2020) but also exhibit the signs of economic recovery, anticipating that the budget deficit will have registered 4.3% of GDP against 5.8% in 2020. The public debt will have decreased to 127.5% (135% in 2020). The Current and Capital Accounts reported a positive balance as a percentage of GDP, thus reverting the disturbing evolution registered in the previous period and reflecting a strengthening of the economy's financing capacity.

As the year progressed, (moderate) signals of price increases reported at the Consumer level match the anticipated Inflation (HICP), reportedly with a rate of around 0.9% in 2021 - the highest rate since 2018. In the particular case of Energy, Households have been relatively sheltered from the increase in energy prices due to regulatory alterations and market practices. It is, though, estimated that the prices at a production level displayed a steep upsurge in this component, generating, in turn, significant downstream effects.

Unemployment is to have maintained the downward trend observed since the end of 2020, reaching a rate of 6.6%; in addition, Employment evolved favourably, at an estimated rate of 2.5%, advanced in 2021's second quarter, and reached higher levels than pre-pandemic numbers.

VIEIRA & LOPES ACTIVITY FRAMEWORK

03

In 2021, despite the enormous challenges posed by the emergence of new variants/mutations of the SARS-CoV-2 virus and the uncertainty of the markets associated with this unique phenomenon, VL achieved a praising economic and financial performance. The favourable scenario is the outcome of the production reorganisation acting towards the designing, producing, and marketing of technological solutions for air diagnosis, control, treatment and purification; the continued focus on innovation, research and development of new products, processes and skills; and the strengthening of activity in the international market.

The swift and invisible spread of COVID-19, whilst posing major threats to any economy or business, has raised awareness on a global scale for the risks associated with absence of air quality and the spread of serious diseases for human health. In this sense, the Covid-19 pandemic may have forstalled a future market trend towards the assessment to diagnose, control, treat and purify indoor air. A set of technological and scientifically accredited solutions for this purpose, aimed at different market segments and sectors, are included in the Vieira Lopes portfolio through the NPS®.

Additionally, the business related to Health, Energy and Environment, namely the treatment and purification of air and the use of so-called clean energies, has registered sustained growth both in Portugal and in developed economies. In this sense, we consider that the strategic exploration of this triad Health-Energy-Environment constitutes top priority areas of growth and expansion of the company. Namely the production and optimization of Air Handling Units having hygienic certification; the technological solutions for monitoring, controlling, decontamination and purification of air in hospital and industrial contexts. This is the cornerstone for the integrated strategic action of VLOpes Group, in the national and international context, in the current and future perspective.

The continuous and growing investment in Research & Development are fundamental values of the VLOPES Group and, therefore, determinants for the strategic guidelines adopted. As a result of this dynamic, innovative and entrepreneurial attitude, the VLOPES Group has several research protocols in progress with Institutions and Research

Centres of reference at a national and international level. The company has ongoing research and has as well developed and submitted, with detail and ambition, new R&D project applications to the programmes under the Portuguese Recovery and Resilience Plan (PRR).

Currently, VIEIRA LOPES LDA is part of the research project SATO, Self Assessment Towards Optimization of Building Energy, approved under the European Union's Horizon 2020 Research and Innovation Programme under Grant Agreement Number 957128. With a EUR 7,024,568.75 allocated budget, the SATO goal is "to develop a new platform for self-assessment and optimization of energy consumption in real-time, which allows the integration of all the energy consumption instruments in any building". The SATO Project integrates partners from different scientific areas and nationalities, such as Aalborg University (DK), Milan Polytechnic (IT), SONAE MC, EDP CNET - Centre for New Energy Technologies, Siemens (PT and AU) or Knauf (IT).

VIEIRA LOPES is also part of the research project "SMART NPS - Compact, smart and scalable air purification module for HVAC systems and ducts", approved under the COMPETE 2020 programme - Operational Programme for Competitiveness and Internationalisation, with the number 113571, with an allocated budget of EUR 272. 800.55. The project aims to implement "a set of activities to demonstrate to the market the technological advantages of the NPS® (through in-situ demonstration in 7 operational configurations), to gain market trust, fine-tune the technology and boost demand, through the market awareness among potential

Advancing health through air quality science

stakeholders. On the other hand, VL and the Nano Purifying System Project (NPS) awarded with the "Seal of Excellence" under the SME Instrument programme of Horizon 2020, promoted by the European Commission.

The company also has an ongoing research project with the Departments of Physics and Mechanical Engineering of the University of Minho regarding air quality and energy efficiency. Additionally, VL is also a member of the SME Innovation Network COTEC and has an ongoing SI Internationalisation project, which aims to support the qualification and internationalisation of SMEs. VL is also a company with a Quality Certificate by the standard NP EN ISO 9000: 2000 (for installation and design).

From a geographical viewpoint, VL has a comprehensive national and international position. In national terms, VL operates all over the country and is among the most significant Portuguese players in what concerns the production and commercialization of technical solutions for air treatment and purification.

The international market is the group's main strategic focus. VLopes Group holds a significant presence in the French market. A fairly large volume of work is in progress through the affiliate in France, VLopes Clim SARL, and through a network of local intermediaries supporting the OCRAMclima project.

The Nordic market is another strategic target. The group present in the Danish market since 2014 through VLopes Scandinavia APS, intends to explore all the potential in the area associated with northern-Europe markets. In Spain, the VLOPES

Group maintains a strong commercial relationship with several local distributors, one of these partners having a very significant presence in the South American Hispanic markets.

The year 2020 also marked the entry into the Brazilian market, equipping Amazon's new logistics centre in Cajamar - São Paulo, which sits in 55,000 m2, equivalent to 5 football pitches. In 2020 the group saw a strengthening of commercial relations with the Moroccan and Indian markets while equipping one of the central research Centres developing and producing COVID-19 vaccine with Ocramclima's Air Handling Units.

In 2021 a commercial agreement was signed with a company of Israeli provenance, with a broad market share in the European market for the control and treatment of air in residential buildings.

In terms of future international projects, and according to the latest information available, in 2022 the commercial relationship with the Mercosur and Indian Markets will gain depth through means of local official agents. Additionally, a strategic alliance is being assessed with a reference partner in Iran and another strategic partnership in Saudi Arabia. Entrance to Countries of Northern Europe and China can take place in the short term after ongoing studies.

The geographical distribution of the Group's different business units and a brief description of their current composition is shown on next page, with an indication of the stakes held and the respective markets where they operate:

LIST OF BENEFICIARIES IN THE SATO PROJECT

FCIÊNCIAS.ID - ASSOCIAÇÃO PARA A INVESTIGAÇÃO E DESENVOLVIMENTO DE CIÊNCIAS	FC.ID	PORTUGAL
AALBORG UNIVERSITET	AAU	DENMARK
POLITECNICO DI MILANO	POLIMI	ITALY
CYPE SOFT SL	CYPE	SPAIN
CORE INNOVATION AND TECHNOLOGY	OE CORE	GREECE
XTEL WIRELESS APS	XTEL	DENMARK
VIEIRA & LOPES	VL	PORTUGAL
CNET CENTRE FOR NEW ENERGY TECHNOLOGIES AS	EDP	CNET
SONAE MC - SERVIÇOS PARTILHADOS AS	SONAE	PORTUGAL
FREDERIKSHAVN BOLIGFORENING	FB	DENMARK
AGENCIA MUNICIPAL DE ENERGIA DO SEIXAL ASSOCIAÇÃO	AMES	PORTUGAL
COMUNE DI MILANO	MIL	ITALY
SIEMENS SA	SIP	PORTUGAL
KNAUF INSULATION SPA	KI IT	PORTUGAL
EK ENERGIEKONZEPTE AG	EKAG	SWITZERLAND
SIEMENS AKTIENGESELLSCHAFT OESTERREICH	SAGOE	AUSTRIA

4 ACTIVITIES & FINANCIAL POSITION ANALYSIS

The year 2021, both from the domestic and international market perspectives, was especially demanding and complex. The year was marked by slight signs of recovery paired with a high level of uncertainty as a result of the global pandemic and the continuous emergence of new strains of the SARS-Cov-2 virus. At the same time, the atmosphere of insecurity and international tensions intensified confirmed the worst forecasts on 24 February 2022,

when the Russian Federation invaded Ukraine and a war of unpredictable consequences ensued.

In this particularly defying context of an unprecedented level of incertitude, the results achieved by VIEIRA LOPES LDA, and the VLOPES Group, were manifestly positive, reflected in the increasing consolidation of its role and activity in the market, and the strengthening of its national and international operations.

Concerning the consolidated accounts of VIEIRA LOPES LDA, the Turnover recorded in 2021 amounted to EUR 8 583 796,06, expressing a correction compared to the previous year, but which reflects the reorganisation and consolidation of the company's activity towards specific air treatment and purification markets increasingly implying more technology and more expertise (Table 1).

Under EBITDA and Net Profit headings, there were quite positive results recorded. The EBITDA, which expresses the results generated by the company's operating activity, stood at EUR 856 811,19, translating a growth of 19,1% in face of previous year, while the Net Profit was EUR 339 685,83. The EBITDA ratio as a percentage of turnover, an indicator of the company's profitability, reached 10%, representing a growth of 2.7 p.p. compared to 7,3% in the previous year: a clear indicator of the company's operating performance optimization (Chart 1).

	2019	2020	2021	Variation	
				Value	%
Business Turnover	8 306 479,04	9 838 764,08	8 583 796,06	-1 254 968,02	-12,8
Net Results	616 197,59	392 177,68	339 685,83	-52 491,85	-13,4
EBITDA	1 057 166,87	719 176,64	856 811,19	137 634,55	19,1
EBITDA em % s/ VN	12,7%	7,3%	10,0%	2,7pp	--

TABLE 1 Evolutionary Analysis for consolidated results

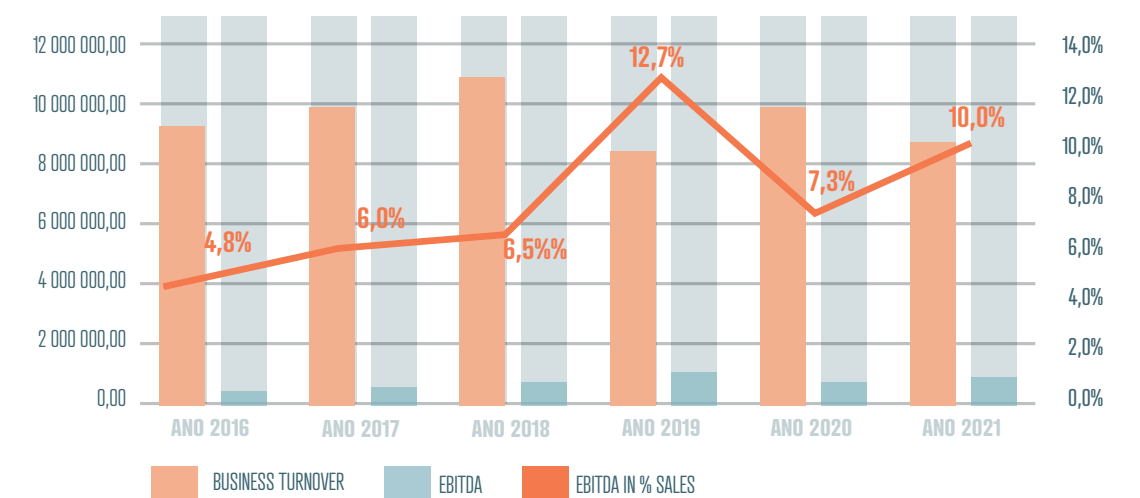


CHART 1 Evolutionary Analysis for consolidated results

Regarding the production destination and seeking to evaluate the turnover having national and international markets as destination, the data for the ended period enhances the group strategic direction towards external markets, thus lowering risks related to domestic market dependence.

Throughout 2021, and from a consolidated perspective, production for the external markets totalled EUR 6 475 562,53, which translates into a sustained growth of 9.7% compared to the previous year (Table 2 and Graph 2).

From an integrated perspective, the external markets were responsible for 75.4% of the Groups consolidated turnover (Charts 3 and 4). This way reaffirming the market diversification strategy and the solidification of the international nature of the VLOPES Group. Among

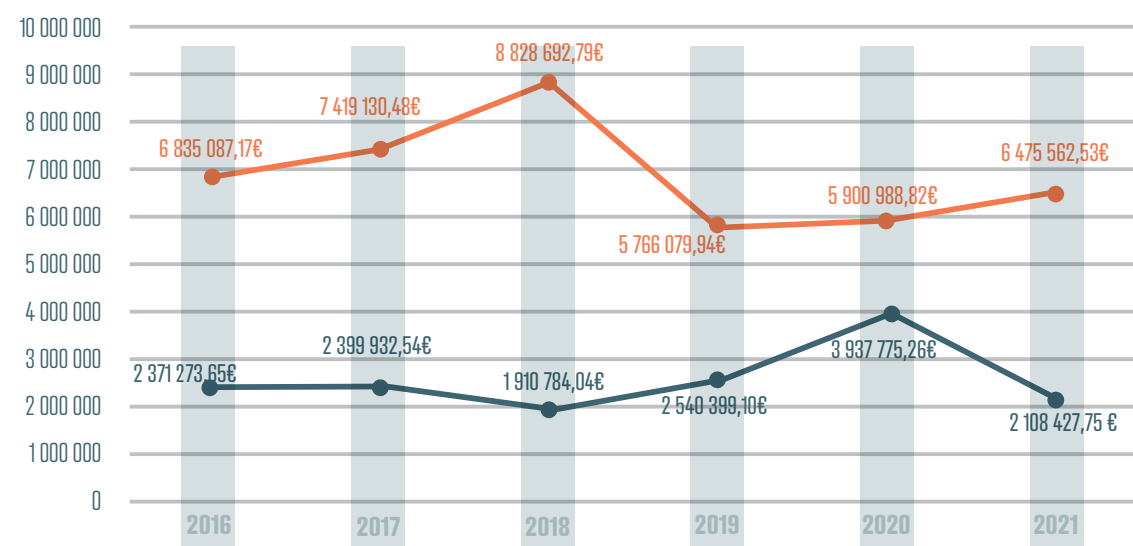
main destinations for production in 2021, both the French, Danish, Indian, an Mercosur markets stand out.

On the other hand, sales originating in the domestic market registered a value of EUR 2 108 427,75, a correction of 46.5% in comparison to 2020. This result reveals a decreased reliance and exposure of the group to the domestic market, and consequent mitigation of risks derived from a fragile economy to a certain degree.

On the other hand, these are indicators of higher capability to explore high-potential business opportunities arriving from external markets for the air purification segment and technological solutions for air treatment - particularly suitable to the current post-COVID-19 pandemic moment.

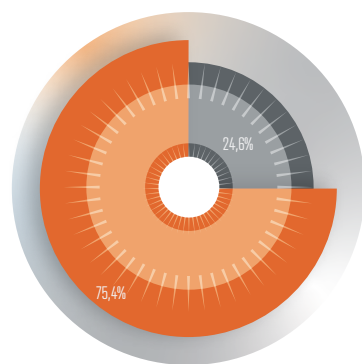
	2019	2020	2021	Variation	
				Value	%
National Market	2 540 399,10	3 937 775,26	2 108 427,75	-1 829 347,51	-46,5
EU Market	5 665 357,13	4 620 458,45	6 030 396,59	1 409 938,14	30,5
Other Markets	100 722,81	1 280 530,37	445 165,94	-835 364,43	-65,2
GLOBAL VALUE OF EXTERNAL MARKETS	5 766 079,94	5 900 988,82	6 475 562,53	574 573,71	9,7

TABLE 2 Destination for the consolidated production



● NATIONAL MARKET ● INTERNATIONAL MARKET

CHART 2 Evolution of destination for the consolidated production



● NATIONAL MARKET ● INTERNATIONAL MARKET

CHART 3 Destination of the consolidated production

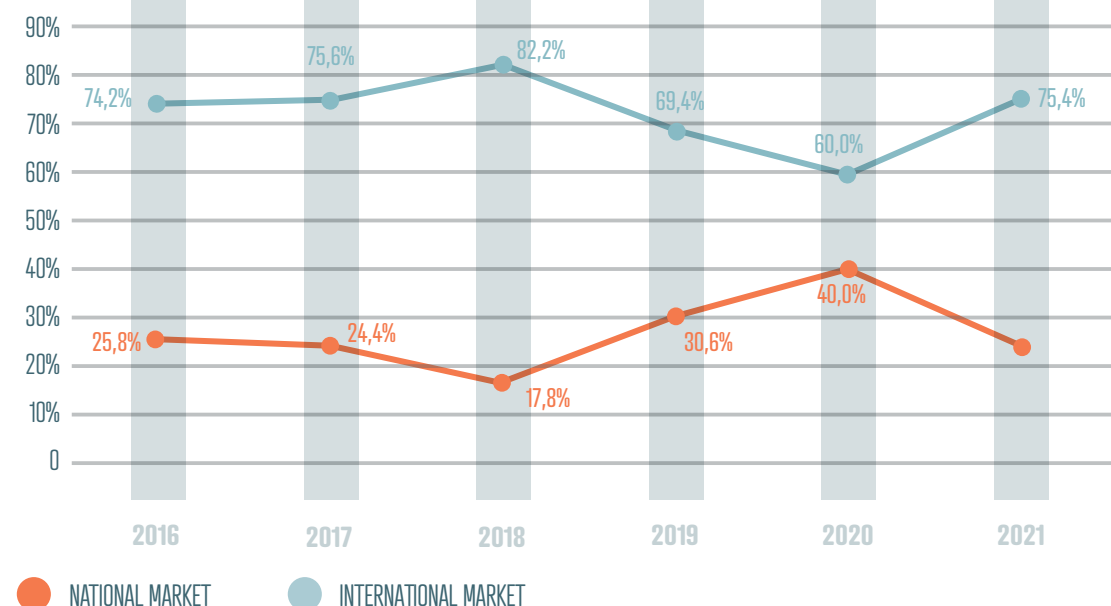


CHART 4 Evolution of Destination for the consolidated production (in % of business turnover)

Regarding the structure and sources of revenue, given the company's strategic shift towards the development, production and marketing of tradable goods/equipment having the OCRAMclima project as

source, during 2021 the item Finished and Intermediate Products, in the attachment, reached EUR 2 845 289,59. This corresponds to 33,1% of the consolidated business turnover for the group (Chart 5).

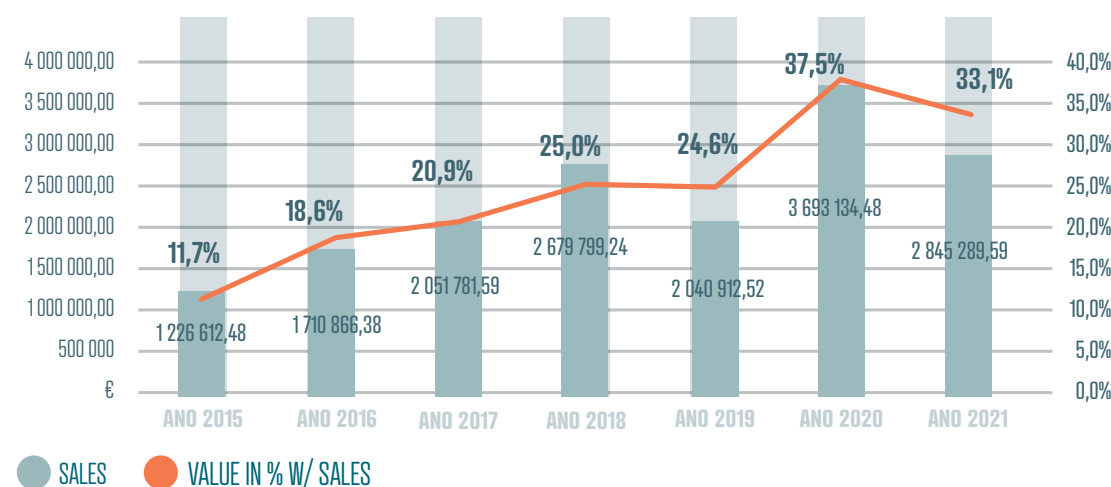


CHART 5 Income structure having OCRAMclima project as source

Regarding the evolutionary analysis of the structure of expenses incurred in the period just ended, Table 3 and Chart 6 show the distribution according to the weight of each item in the total expenses of the VLOPES group.

In accumulated terms, the analysis results exhibit a 7.6% reduction in the cost structure in comparison with the previous year (EUR -749 824,64). Among the items that enabled this reduction are the Cost of Goods Sold and Consumed (down 12.4% on 2020;

to EUR 3 422 377,49); Personnel Costs (down 8.8%; to EUR 3 351 066,76); Supplies and External Services (down 7.0%; to EUR 1 727 716,38); and Financing Costs and Losses (down 4.3%; to EUR 135 490,79).

Depreciation and Amortisation increased by 26.3% (to EUR 337 305,40), Impairment Losses (which rose to EUR 110 922,00) and Other Costs and Losses increased by 13.4% (to EUR 92 596,87).

	2020		2021		Variação	
	VALUE	%	VALUE	%	Value	%
Cost of Goods Sold and Materials Consumed	3 907 703,53	39,4	3 422 377,49	37,3	-485 326,04	-12,4
Payroll Costs	3 672 586,82	37,0	3 351 066,76	36,5	-321 520,06	-8,8
External Supply and Services	1 857 581,39	18,7	1 727 716,38	18,8	-129 865,01	-7,0
Impaired losses	(1 030,24)	---	110 922,00	1,2	111 952,24	---
Expenses and Financing Losses	133 471,86	1,4	135 490,79	1,5	-6 139,46	-4,3
Expenditures with Depreciation and Amortization	267 167,47	2,7	337 305,40	3,7	70 137,93	26,3
Other Expenses and Losses	81 661,11	0,8	92 596,87	1,0	10 935,76	13,4
TOTAL	9 927 300,33	100,0	9 177 475,69	100,0	-749 824,64	-7,6

TABLE 3 Evolutionary Analysis of the consolidated expenses structure

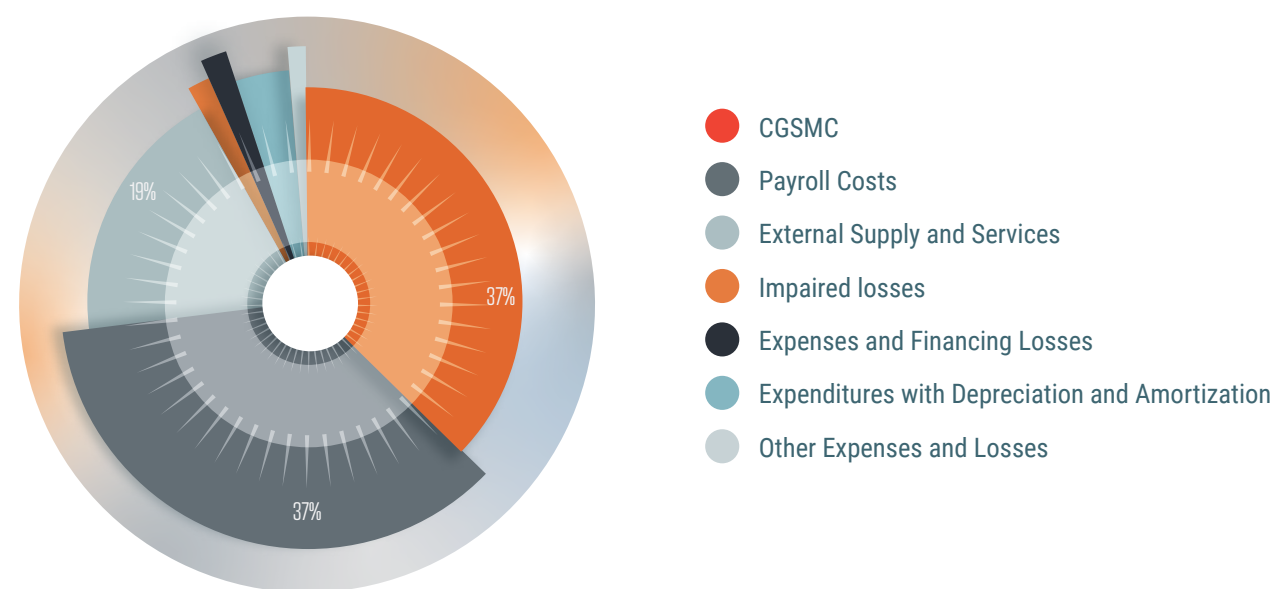


CHART 6 Consolidated Structure of Expenses (in %)

In a more detailed manner, it is possible to examine the group's consolidated financial position by analysing the following Consolidated Balance Sheet Structure (Table 4 and Chart 7). The strengthening of non-current assets (an increase of EUR 787

041,41) and the slight reduction in current liabilities (a drop of EUR -107 957,06) as opposed to the slight increase in non-current liabilities (an additional EUR 494 937,24) are of note.

	2020		2021	
Non-current assets	5 105 020,05	40,9%	5 892 061,46	48,1%
Current assets	7 391 455,89	59,1%	6 366 294,16	51,9%
TOTAL ASSETS	12 496 475,94		12 258 355,62	
Equity	3 100 714,59	24,8%	2 475 614,09	19,8%
Non-current Liabilities	3 742 308,44	29,9%	4 237 245,68	33,9%
Current Liabilities	5 653 452,91	45,2%	5 545 495,85	44,3%
TOTAL LIABILITIES	9 395 761,35		9 782 741,53	
TOTAL EQUITY AND LIABILITIES	12 496 475,94		12 258 355,62	

TABLE 4 Annual Balance Structure



CHART 7 Evolution of Consolidated Assets, Liabilities and Equity

EXPECTATIONS FOR THE FUTURE

2025

5.1. MACROECONOMIC CONTEXT

Once again, 2022 will be a year marked by the effects of the pandemic, although less markedly than in 2020 and 2021. It will nonetheless be a year of lower expected growth, with the World Economy in a less strong position than projected just a few months ago. This review primarily reflects lower expectations regarding the two largest world economies, the United States and China. The evolution will show the impact of the rise in inflation since the second half of 2021 and as early as 2022, with the ongoing precautionary monetary action.

The accelerated spread of the Omicron variant in late 2021 and early 2022 will, it is feared, result in lower economic growth early in the year. Another known threat is lower reliability in global supply chains and shortages of intermediate goods. Furthermore, the geopolitical tensions around Ukraine dominating recent weeks may persist and worsen, resulting in greater aversion to risk, increased volatility in the variables and financial markets, and economic impact. Expected to be more pronounced in Europe than in the United States, the impact grounds on the existing commercial and financial links and, above all, energy dependence (a substantial part of the natural gas and oil imported by Europe originates in Russia). Being the last obstacle facing the economic cycle, it is significant, but it may not be only impacting 2022.

The world economy should record economic growth of around 4.4%, slowing down compared to 2021 as explained above, with Developed Economies registering an evolution of around 3.9% and Emerging Economies around 4.8%. Inflationary pressures should ease, but gradually. Central Banks should maintain their current stance on monetary normalisation.

Central Banks will, it is expected, face critical challenges while seeking the best balance between preventing inflationary expectations from getting out of control and a negative impact coming from monetary tightening. The inflationary pressure will arise mainly from the supply side factor and not from a sharp rise in Demand. Commodity prices, especially energy, are expected to remain supported (oil is at record highs since 2014 at the time of this review), reacting to occasional upside factors: the low natural gas stocks in Europe; the replenishment of OPEC+ oil production; geopolitical risks; structural issues such as climate change, energy transition, and the decrease in the replacement investment of fossil fuel sources. Developments which will act as a counter-balance, to a limited extent, of the expected decline in economic growth and monetary normalisation. A gradual adjustment of imbalances and constraints is expected for international supply chains. Global Unemployment, in turn, should maintain its downward trend, along with more structural adjustments in the Labour Market, such as the arising from new forms and labour practices, the repositioning of the active population and within the active population the phenomenon known as the great resignation or big quit.

In 2022, the Euro Zone should record a growth rate of around 3.9% although the year started with restrictions on mobility and therefore, on economic activity, to the extent where contraction of activity is expected in Germany, the engine of the European economy. With the recovery from the pandemic situation expectations for growth from the second quarter onwards should pair with the project's implementation and measures based



Growing a technology based portfolio

on the European Recovery and Resilience Fund. The reform of the European fiscal framework is foreseen after the suspension of the Stability and Growth Pact rules formed as a reaction to the pandemic crisis. Monetary and financial conditions are expected to remain very favourable despite the ECB's predisposition to consider the beginning of monetary normalisation. The projections point to an increase in Inflation to 3.2% in 2022, an evolution heavily determined by the energy component, where the risks reside both for the economic situation and for the conduct of monetary policy. The extreme scenario of stagflation cannot be ruled out if there is a significant reduction in the supply of Russian gas to Europe.

The UK should see a challenging macroeconomic environment, with high inflationary pressures, a significant impact on disposable income, supply

chain constraints and reduced fiscal support, all combining to affect demand. All this should result in economic growth of around 4.7%, a significant loss of momentum compared to the previous twelve months. The Brexit issue does not seem to be properly anchored yet. Sweden should grow around 3.4%, benefiting from the recovery of economic agents' confidence after the Covid-19 restrictions and the reduction of constraints in the international supply chains which, due to its export profile, had greater repercussions; in turn, the Czech Republic, another economy that is very open to the outside world and with a strong industrial export sector, should find additional support in the evolution of private consumption and high levels of employment, and as such, an expansion around 4.5% is projected.

The United States should grow in 2022 at a significant rate of 4.0%, which compares unfavourably with the

performance in 2021. Above all, with the projections made by the IMF last October for the world's largest economy, a downward revision of 1.2% can be foreseen, justified by the failure to implement the Build Back Better fiscal initiative and by disruptions in supply chains and shortages of intermediate goods. In political terms, a less favourable scenario is envisioned for Biden Administration in the midterm elections to be held in November, with the lost of majority in the Senate. The persisting political and social polarisation represents a structural challenge to the economic evolution.

The FED should embark on an accelerated, but short, cycle of interest rate hikes, in view of the assurance of having reached the goal of Full Employment (the reduction of unemployment is being accompanied by sustained wage growth) and envisioning the persistence of broad inflationary pressures. Japan

is expected to grow by 3.3% in 2022, double that observed in 2021. Australia, on the other hand, should accelerate to around 4.1% growth.

Emerging and Developing Economies are forecasted to contract to something around 4.8%, a downward revision from projections in the last quarter of 2021, contrasting with expansion of 6.5% in 2021. China is expected to grow by 4.8%, a substantially lower pace than the previous year, and which highlights the challenges posed by the management of excesses in the residential real estate sector (a moderation in real estate investment is feared), adverse demographic developments, and the impact of the zero-case Covid-19 policy. India, in turn, should maintain its pace of 9.0%. Brazil, the largest South American economy, should register marginal increase, suffering from a sharp revision of the outlook in view of the monetary response aimed at containing inflationary

pressures and which should limit domestic demand; Mexico, in turn, should show the impact of lower demand from the United States and the fall in investment due to nationalist rhetoric, and grow 2.8%, practically half of what it will have registered in 2021. Chile and Argentina should increase around 2.5%, with Chile, it is feared, experiencing a sharper slowdown in the pace of activity after the positive surprise of 2021, a year in which it benefited from a sharp fiscal expansion. South Africa, struggling with structural problems of electricity supply and a drop in investment intentions, will be another economy that will slow down significantly compared to 2021, forecasting a growth rate of around 1.9%. Given recent developments, Russia may face an additional wave of sanctions, whose scope and impact are still difficult to estimate, only offset by the rise in prices of some of its exports, from oil and metals to agricultural goods. It is forecast to rise 2.8%, but in view of the geopolitical context and the actions of the Russian Central Bank, seeking to reverse inflationary pressures, the risks appear deeply skewed to the downside. Growth in Hungary is casted at 5.1%.

Internationally, monetary policies should follow the normalisation process initiated in 2021. Especially the US Federal Reserve and the Bank of England, consisting, it is assumed, of the gradual cancellation of extraordinary liquidity injection measures (end of quantitative easing) a cycle of interest rate rises, and the reduction of assets on the balance sheets

of Central Banks (quantitative tightening). The ECB is also sensitive to gradual adjustments. In Emerging Economies, with the exception of China, which has been relaxing monetary conditions, the monetary adjustment process seems to follow a faster pace, seeking to reverse inflationary pressures.

The projections assume the persistence of inflationary pressures at a world level, the emphasis being placed on the upward evolution of energy factors (higher for longer), despite the projected rebalancing of demand, to the detriment of goods and in favour of services, contributing to their moderation - the Developed Economies should register a generalised increase in consumer prices of around 3.9% while the Emerging Economies should see an acceleration of the pace of price increases to 5.9%.

In terms of fiscal policy, it is anticipated that this will gradually become less expansionist with the expiry of the stimuli defined during the acute phase of the pandemic, which will represent, together with the impact of the monetary tightening in the United States on international financial flows, a challenge for the Emerging Economies due to the high levels of debt they have accumulated, especially in the last two years. And yet, at the very moment when this analysis is being prepared, there is doubt as to whether the deterioration of the economic context due to geopolitical instability will not lead States to reinforce their expansionist fiscal policies.

5.2. PORTUGAL

Twelve months have passed and Portugal has again imposed restrictions on mobility, with confinement measures due to the high degree of Omicron variant spread. While this text is being written it is possible to envisage the entering of a different pandemic phase, eventually to a close to normal, endemic period of the disease. It is anticipated that the economic activity in Portugal will start the year less favourably but tends to return to or even surpass levels of wealth enjoyed before the pandemic when close to the second quarter. Projections point to around 5.8% in 2022, accelerating the rhythm of 2021 in clear contrast with the progress forecasted to most of the Developed Economies. Portugal should thus return to convergence with the European average.

Nonetheless, a note of caution is deserved given the downward risks stemming from the geopolitical instability surrounding Ukraine. As in the Euro Zone, the implementation of the Recovery and Resilience Plan should help to accelerate expansion, strengthening Domestic Demand, namely Investment. Consumption will find support in the use of savings accumulated during periods of confinement and in the favourable evolution of the sentiment of economic agents.

In terms of External Demand, the prospect of a recovery in Tourism (Portugal is one of the countries

with the highest level of vaccination) should translate into a positive contribution to the growth of the economy and make possible the mitigation of the external Demand decline in the national economy. Despite the non-approval of the State Budget Proposal for 2022 and the delay in the new Executive taking office, efforts to reduce the public deficit and debt are expected to continue.

In 2022, the Current and Capital accounts should exhibit a new positive balance, higher than that recorded in 2021, and it is estimated to reach 1.8% of GDP. The reduction of the deficit balance in the Goods and Services Account, through the recovery of Tourism, on the one hand, and the increase of the surplus in the Income and Capital Account, through a greater inflow of European funds, on the other, will contribute greatly to this evolution.

As a result of measures to support the preservation of labour relations, the labour market was recovering in the final months of last year, and it is anticipated that this trend will continue in 2022, along with the reduction of restrictions and recovery of economic activity. Thus, it is estimated that the Unemployment rate will decrease to 6.1% in 2022 and that it will reach levels below those seen before the pandemic.

Price evolution expectations in Consumption go through an upward trend. This tendency finds ground in the current impact of the increase in energy factors (note the year-on-year increase of 13.2% in energy prices at the Consumption level in the last three months of 2021). Increases in Production prices are also to blame for the triggered the contagious effect on a wide range of products and services at the Consumers level.

As such, Inflation is expected to exceed 2.3% in 2022, risking an upward bias. Even so, compared to the Euro Zone, the prices evolution should be negative.



Connecting for
speed and agility

5.3 FORESEEABLE EVOLUTION OF SOCIETY

Given the international macroeconomic background - the threats and opportunities posed by the evolution of the COVID-19 pandemic; the global consequences of the conflict in Ukraine, dependent of the time it lasts as well - and the prospects for expansion of the Portuguese economy in this context, the VLOPES Group's strategic guidelines for the year 2021 once again aim to surpass the results achieved in 2020. This acception is fundamentally based on five (5) main dimensions:

a) Investment and a clear focus on the production and marketing of NPS (NPS Master, NPS CC and NPS CC Optimal), which, in the current context of the COVID-19 pandemic, has acquired additional relevance as a solution capable of guaranteeing superior efficiency in air purification, with a unique emphasis on critical contexts such as hospital, business and social contexts, as well as its capacity to transform ordinary wards into "negative pressure" spaces;

b) Increase the expansion, value, and acknowledgement of OGRAMclima as an international player. Become a distinguished brand in the production and trade of Air Handling Units; developer of technological solutions for acclimatization, offering innovative

proposals; expand product portfolio, with an accent in air monitoring and air quality control in a clinical environment; streamlining the commercial network and building strategic alliances, able to widening the markets and strengthening the image of the OGRAMclima brand;

c) The clear commitment to the internationalization process, aiming to conquer new markets, with an objective goal of two (2) new markets each year. At present VL holds a meaningful presence in France, Denmark, Spain. The commitment for 2020 is to strengthen the presence in Scandinavian Market through VLOPES SCANDINAVIA APS. To expand operations in the Mexican and South American market. Increase our presence in India and make our

entrance to Iran and the Middle East Region, namely Saudi Arabia, the United Arab Emirates, Oman, and Dubai;

d) Maintenance of the innovation and entrepreneurship effort, to achieve unique, added-value products, offering a competitive advantage for the company, supporting and intensifying the Research and Development protocols with Universities and Research Centres of reference on a national and international scale. SATO project - "Self-Assessment Towards Optimization of Building Energy" - approved in May by the Horizon 2020 programme for the next three-year period, with a total value of more than 7 million€ is a good example. The project aims to create a platform to optimise the energy performance of buildings in real-time and contribute to helping countries achieve their climate targets. The project brings together 16 European partners from academia and the public and business sectors, such as EDP, Siemens or Sonae.

e) The continuous and sustained growth of the group, associated with the increasingly technical and scientific demands of the market, have claimed the need to build new facilities for the group. The project started in 2018 and comes to an end in 2021

at the inaugural moment of new facilities. Support granted by IAPMEI under Portugal2020 for Productive Innovation. The new headquarters located at Vila de Prado occupies an area of 8,330 m², of which 4,152 m² correspond to the total implantation area of the building, in a total investment of over EUR 3,000,000.00. The significative investment is a pillar not only for the 23rd anniversary of V.Lopes, but provide grounds to boost the quality, demand, control and competitiveness for technological solutions for air purification manufactures and marketed by the group.

Granted the company's solidity and the evolving global awareness for risks related to air quality for the spread of serious diseases (such as COVID-19); the increased offer for diversified solutions; the progressive growth trend and international expansion; the culture for continuous innovation and new commitments under the stimulus of new facilities with a futuristic architecture we believe in the solidification process for an already relevant position in the market and the pursuit of our vision to become a world-renowned company as a synonym for holistic and smart air purification solutions.



Clean air options for every environment

07

AUTHORIZATION DATE FOR FINANCIAL DEMONSTRATION EMISSION

The financial statements for the period ended on 31st of December 2021 were approved by the administration and authorized for issue on July the 23rd, 2022

06

OTHER INFORMATIONS

After the 31st of December of 2021, beyond the global pandemic evolution already mentioned determined by COVID-19 and the beginning of the military conflict in Ukraine, no relevant events occurred that could affect the economic and financial position of the company. This is denoted by the Financial Statements at the end of the 2021 economic period. The company is not exposed to financial risks that could potentially damage its financial position and the maintenance of its operations. The administration's decisions, based on rules of financial prudence, provide an understanding that the obligations assumed are not able to jeopardize the organization, with risks that cannot be regularly backed by the company. There are no overdue debts, neither to the State Public Sector nor to Social Security.

09

OTHER CONSIDERATIONS

We would like to acknowledge all those who expressed their trust and preference, particularly our customers and suppliers, to whom much of the growth and development of our business is due. They are the reason for being of our company.

To our Employees, we express our gratitude for their professionalism and commitment. They are fundamental to the competitiveness and sustainability of the Vieira & Lopes group, and they will continue to be in the future.

The following sections include a consolidated financial statement for the period, which comprise the Consolidated Balance Sheet, the Consolidated Income Statement by nature, the Consolidated Statement of Changes in Equity, and the Consolidated Statement of Cash Flows and the Consolidated Annex.

Braga, the 23rd of July of 2022


VIEIRA & Lopes, Lda
Agrupamento de Empresas
Aerências
THE ADMINISTRATION

10

CONSOLIDATED BALANCE SHEET

On the 31st of december 2020

	ITEMS	NOTE	2021	EURO 2020
ASSETS				
NON-CURRENT ASSETS				
Tangible Fix Assets		6	3 277 467,99	3 269 535.28
Investment Properties		17,4	1 074 000,00	612 000.00
Intangible assets		5	1 066 576,45	926 287.41
Financial Holdings - MEP		9.1		
Financial Holdings - Goodwill			5 500.0	5 500.0
Other Financial Investments		16,2	183 629,50	182 025,70
Deffered Tax Assets			284 887,52	109 671.66
			5 892 061,46	5 105 020,05
CURRENT ASSETS				
Inventory		16,1	1 385 685,29	1 519 014.87
Clients		18,1	3 098 514,92	3 952 497.04
State and other public entities		11; 16,1	134 778,85	94 542.06
Other Accounts Receivable		18,2	1 311 609,02	1 493 747
Deferrals		16,3	221 639,15	29 285.76
Cash in hand and bank deposits		4	214 066,93	302 368.77
			6 366 294,16	7 391 455.89
TOTAL ASSETS			12 258 355,62	12 496 475.94
EQUITY AND LIABILITIES				
EQUITY				
Subscribed Capital		19,1	500 000,00	500 000.00
Other Instruments of Equity		19,2	195 748,00	195 748.00
Legal Reserves		19,3	86 114,00	77 175.98
Other Reserves		19,3	25 000,00	25 000.00
Retained Earnings			1 234 787,52	1 902 708.18
Adjustments/other variation on Equity		19,4	94 278,74	7 904.75
		19,5	2 135 928,26	2 708 536.91
Net Profit for the period			339 685,83	392 137.14
Non-controlling interests		15		40.54
			2 475 614,09	3 100 714.59
TOTAL EQUITY			2 475 614,09	3 100 714.59
LIABILITIES				
Non-current Liabilities				
Loans obtained			4 237 245,68	3 742 308.44
		7	4 237 245,68	3 742 308.44
Current Liabilities				
Suppliers		16.1	1 596 357,23	2 583 497.67
State and other Public Entities		18.1	396 969,30	358 700.34
Loans Obtained		7	2 674 471,74	2 028 417.09
Other payable debts		16.1	452 132,20	315 547.79
Defferrals		18.2	425 565,38	367 290.02
			5 545 495,85	5 653 452.91
TOTAL LIABILITIES			9 782 741,53	9 395 761.35
TOTAL EQUITY AND LIABILITIES			12 258 355,62	12 496 475.94

THE CERTIFIED ACCOUNTANT

Rogued Verza

THE MANAGEMENT

[Signature]

CONSOLIDATED STATEMENT OF PROFITS PER NATURE

On the 31st of december 2020

		EURO	
INCOME AND EXPENSES	NOTE	2021	2020
Sales and Service Rendered	12	8 583 796,06	9 838 764,08
Operating subsidies	13	258 653,25	88 145,73
Imputed gains of subsidiaries, associates and joint ventures	9,1	171 512,13	
Changes in Inventory of production	10	194 793,44	9 713,96
Own Work	5	141 828,42	258 649,13
Costs of goods sold and materials consumed	10	(3 422 377,49)	(-3 907 703,53)
External Supply and Services	18,3	(1 727 716,38)	(1 857 581,39)
Staff Costs	17	(3 351 066,76)	(3 672 586,82)
Imparity of Receivables (losses/reversals)	8	(110 922,00)	1 030,24
Increases/reuctions of fair value	16,2	152 783,55	42 406,35
Other Income	18,4	58 123,84	
Other Expenses	18,5	(92 596,87)	(81 661,11)
Results before depreciation, financing expenses, and taxes		856 811,19	719 176,64
Expenses/reversals of depreciation and amortization	5,6	(337 305,40)	(267 167,47)
Operational results (before financing expenses, and taxes)		519 505,79	452 009,17
Interest and similar charges obtained	18.7	30,00	
Interest and similar charges supported	18.6	(135 490,79)	(141 630,25)
Result before taxes		384 045,00	310 378,92
Income tax for the period		(44 359,17)	81 798,76
Current tax	15	(202 175,83)	(27 872,90)
Deferred tax		157 816,66	109 671,66
NET PROFIT FOR THE PERIOD		339 685,83	392 177,68
INCOME FROM DISCONTINUED ACTIVITIES (NET OF TAX INCLUDED IN THE NET PROFIT FOR THE PERIOD)			
Net results for the period attributable to:			
Equity holders of the parent company		339 685,83	392 137,14
Non-controlling interests			40,52
BASIC RESULT PER SHARE			

THE CERTIFIED ACCOUNTANT

Rogier Versa

THE MANAGEMENT

M. Sloos